

To the Members of the California State Assembly:

I am returning Assembly Bill 730 without my signature.

This bill attempts to align enforcement provisions between the Department of Managed Health Care and the California Department of Insurance. However, it does not create this much-needed consistency, but instead continues to subject regulated entities to differing standards.

In addition, while I believe the Managed Risk Medical Insurance Program to be a possible and appropriate location for some of the penalties associated with these fines, I cannot support provisions that further limit revenue to the General Fund and decrease the state's ability to direct resources to its highest priorities.

For these reasons, I am unable to sign this bill.

Sincerely,

Arnold Schwarzenegger